

JAN 28 1981 - 2 25 PM

LAW OFFICES

ALVORD AND ALVORD

INTERSTATE COMMERCE COMMISSION

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D. C.

20006

January 28, 1981

JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTERCABLE ADDRESS
"ALVORD"TELEPHONE
AREA CODE 202
393-2266TELEX
440348 CDAA UIMrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C. 204231-028A068
JAN 28 1981
Date
Fee \$ 50.00

ICC Washington, D. C.

Dear Madam:

Enclosed for recordation pursuant to the provisions of Section 11303(a) of Title 49 of the United States Code and the regulations thereunder are the original and three counterparts of a Net Lease Agreement for Railcars dated as of December 1, 1980.

A general description of the railroad equipment covered by the enclosed document is as follows:

One hundred (100) open top hopper cars, AAR Mechanical Designation H350, bearing reporting mark and numbers XTRX 75183 through XTRX 75282, both inclusive, which are to be changed to MKT 75183 through MKT 75282, both inclusive.

The names and addresses of the parties to the enclosed document are:

LESSOR: XTRA, Inc.
60 State Street
Boston, Massachusetts 02109LESSEE: Missouri-Kansas-Texas Railroad Company
701 Commerce Street
Dallas, Texas 75202

The undersigned is agent to the Lessor mentioned in the enclosed document for the purpose of submitting the enclosed document for recordation and has knowledge of the matters set forth therein.

RECEIVED
JAN 28 12 25 PM '81
FEE OPERATIONS BR.

Open Report - C.T. Hampton

Mrs. Agatha L. Mergenovich
Interstate Commerce Commission
January 28, 1981
Page Two

Please return the original and two counterparts of the enclosed Net Lease Agreement for Railcars to the undersigned or to the bearer hereof.

Also enclosed is a remittance in the amount of \$50.00 in payment of the required recordation fee.

Very truly yours,

ALVORD AND ALVORD
as Agent for XTRA, Inc.

By Charles T. Kappler
Charles T. Kappler

12832
RECORDATION NO. Filed 1425

JAN 28 1981 - 2 25 PM
INTERSTATE COMMERCE COMMISSION

NET LEASE AGREEMENT FOR RAILCARS

Dated as of December 1, 1980

between

XTRA, Inc.

as Lessor

and

Missouri-Kansas-Texas Railroad Company

as Lessee

NET LEASE AGREEMENT FOR RAILCARS

Contract 801104

THIS AGREEMENT is dated as of December 1, 1980, and is entered into, in duplicate, between XTRA, Inc., a Main corporation (hereafter "Lessor"), and Missouri-Kansas-Texas Railroad Company (hereafter "Lessee").

W I T N E S S E T H:

1. Scope of Agreement. Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, 100 coal hopper railcars (hereafter "Car(s)") more particularly described in Schedule 1 to Exhibit A attached hereto and by this reference made a part hereof.

2. Term. Lessee's commitment to accept and lease the Cars hereunder and all of Lessee's other obligations hereunder (including, but not limited to rental payments) relative to the use and possession of the Cars shall commence as to each Car on December 1, 1980, (hereafter "Effective Date") and shall continue for a term of 60 months from December 1, 1980, unless sooner terminated as provided herein.

3. Delivery and Acceptance. Said Cars have been delivered by Lessor to Lessee at Fort Worth. Delivery and acceptance of said Cars, or any of them, shall be acknowledged by Lessee in writing by execution and delivery to Lessor of a Certificate of Acceptance, in form and substance identical to Exhibit A.

4. Fixed Rent. For the use of the Cars referred to in Section 1 above, Lessee shall pay rental (hereafter "Fixed Rent") to Lessor at the rate and subject to the conditions specified in Exhibit B attached hereto and by this reference made a part hereof.

The Fixed Rent as to each Car shall commence on its Effective Date and the amount of such payment shall be computed on a pro rata daily basis for the number of days in any partial month that said Cars, or any of them, were in the possession of Lessee. Succeeding monthly Fixed Rent payments shall be made by Lessee to Lessor in advance promptly on the first day of every calendar month of the term.

The Fixed Rent shall continue throughout the term of this Agreement with respect to each Car unless and until said Car suffers an Event of Loss as described in Section 8 hereof and Lessee complies with the terms of said Section.

In the event any Fixed Rent or other amounts due hereunder shall not be paid promptly when due, Lessee shall pay Lessor interest on such overdue amount from the due date thereof to the date of payment thereof at a rate equal to the lesser of (i) 18% per annum or (ii) the maximum rate permitted by law.

5. Markings.

A. Prior to delivery of the Cars to the Lessee, Lessor shall cause each Car to be plainly marked (with proper changes as from time to time may be required to protect the interests of Lessor, any secured party or any assignee of either Lessor or any secured party) in such a manner as to clearly and conspicuously show the interests of Lessor and any secured party in such Car. The Lessee shall be responsible for the cost and placement of all other markings on the Cars including those required by the Interstate Commerce Commission ("ICC") and the Interchange Rules ("Interchange Rules") and the Code of Car Service and Car Hire Rules - Freight ("Code of Rules") of the Association of American Railroads ("AAR"). If any such marking shall at any time be removed, defaced or destroyed, Lessee shall immediately cause it to be restored or replaced at Lessee's cost.

Lessee, at Lessor's sole expense, shall, as promptly as reasonably possible following execution hereof, cause said Cars to be restencilled to delete "XTRX" recording marks and substitute in lieu thereof "MKT" recording marks. Lessee shall bill Lessor for said restencilling at the rate of 50% of the AAR rate for restencilling recording marks (letters and numbers), and Lessor shall promptly reimburse Lessee or credit the next payable monthly rental for said restencilling upon receipt of invoice for said restencilling.

B. Other than as required for restoration or replacement of markings as set forth in Section 5A, Lessee shall not place, nor permit to be placed, upon the Cars any additional lettering, logo or marking of any kind without Lessor's prior written consent.

6. Maintenance, Repairs and Damage, Use and Possession.

A. Lessee agrees to maintain the Cars at its sole cost and expense in good condition and running repair, and free from damage in accordance with the Interchange Rules, the Code of Rules and the relevant rules and regulations of the ICC, the Department of Transportation ("DOT") and the Federal Railway Administration ("FRA").

B. Lessee, during the continuance of this lease, shall perform or cause to be performed and shall pay all costs and expenses of all maintenance and repair work necessary to maintain the Cars in good working order and general condition as when delivered to Lessee, ordinary wear and tear excepted. Any parts, replacements, or additions made to any Car shall be accessions to such Car, and title thereto shall immediately vest in Lessor without cost or expense to Lessor. Lessee will not alter the physical structure of any of the Cars (unless required by the AAR, the ICC, the FRA, or DOT) without the prior written consent of the Lessor provided, however, Lessee shall give written notice of such required alterations to Lessor prior to its making any such alteration. Lessor reserves the right to perform any such required alterations and adjust the Fixed Rent as provided in Section 7 hereof.

C. Lessee shall at its own expense perform all inspections in accordance with any applicable Federal, State, or municipal laws or regulations. Lessor shall have the right, by its agents, to inspect the Cars and/or Lessee's records with respect thereto at reasonable times and places and upon reasonable notice during the continuance of this Agreement.

D. Throughout the continuance of this Agreement, so long as Lessee is not in default under this Agreement, Lessee shall be entitled to possession of each Car from December 1, 1980, and shall use such Car on its own property or in the usual interchange of traffic with other railroads; provided, however, that Lessee agrees that the Cars shall at all times be used (i) in conformity with all Interchange Rules, (ii) in compliance with the terms and provisions of this Agreement, and (iii) in a prudent manner, solely in the use, service, and manner for which they were designed. Lessee agrees to preserve the Cars in the same (or better) condition as railcars of similar class and design, ordinary wear and tear excepted, engaging in operations normal to the Lessee's industry.

7. Compliance with Laws and Rules.

Lessee shall, at its own cost and expense, comply with all governmental laws, regulations and requirements, with the Interchange Rules and Code of Rules, and with the rules and regulations of the FRA, the ICC, and the DOT with respect to the use and operation of each of the Cars. Lessee shall be responsible for applying for all necessary railroad permissions, approvals, and consents for use of the Cars, and Lessee shall bear all risk of failure to obtain such permission, approval, and consent, or cancellation thereof. In case any equipment or appliance on any of the Cars shall be required to be changed, replaced, or installed on any of the Cars in order to comply with laws, regulations, requirements, or rules, Lessor may in its discretion cause said changes, additions, or replacement to be made at its cost and expense, in which case the Fixed Rent for the Car(s) will be adjusted to cover said costs amortized over the remaining estimated useful life of the Car(s). It is understood and agreed that the party affecting such changes shall have a reasonable period of time in which to make them, in accordance with standards typical within the railroad industry. Any part or parts installed or replacements made upon any of the Cars by Lessor or Lessee shall be considered accessories to the Cars, and title thereto shall immediately be vested in Lessor without further cost or expense to Lessor.

8. Event of Loss.

A. In the event that any Car shall be or become damaged beyond economic repair, destroyed, lost, stolen, confiscated, or permanently rendered unfit for use for any reason whatsoever, or title thereto shall be requisitioned or otherwise taken by any governmental authority for a stated period

which exceeds the term of this Agreement (any of such occurrences being referred to as an "Event of Loss"), such Event of Loss shall promptly be reported by the Lessee to the Lessor. Lessor reserves the right to make the final determination as to whether any Car has, in fact, suffered an Event of Loss.

B. Upon the occurrence of an Event of Loss to any of the Cars on Lessee's lines, Lessee shall promptly pay to Lessor the value of such Car in accordance with the settlement value set forth in the then current Interchange Rules (hereinafter "Settlement Value"). Upon the occurrence of an Event of Loss off Lessee's lines, Lessee shall pay to Lessor the Settlement Value promptly upon receipt of same from the carrier responsible for said Event of Loss. Lessor and Lessee agree to cooperate with and assist each other in any reasonable manner requested in the event of an Event of Loss to any of the Cars, provided only that the respective obligations of Lessor and Lessee under this Section 8 shall not be altered. Upon payment of the Settlement Value of a Car to Lessor, Lessee shall be entitled to any salvage or salvage proceeds pertaining to such Car and upon Lessee's request, the Lessor shall provide the Lessee with a bill of sale or any other document reasonably necessary for the Lessee's disposition of the Cars suffering an Event of Loss. Lessee's obligations to pay Fixed Rent or other payments or perform any other obligations hereunder shall continue with respect to each Car suffering an Event of Loss until payment of the Settlement Value for each such Car has been paid to Lessor and said obligations shall terminate as of the date of such payment.

9. Indemnities and Insurance.

A. Lessee agrees to indemnify and hold harmless Lessor from and against all losses, damages, injuries, liabilities, claims, and demands whatsoever (whether as a result of damage to the Cars or injury to third parties), regardless of the cause thereof, and any expense in connection therewith, including legal fees, arising out of, or as a result of, the use or operation of the Cars during the term of this Agreement. In addition, the Lessor will not be liable for any defect or omission in the construction or manufacture of the Cars or any material incorporated therein by the manufacturer thereof or any component thereof.

B. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in the Cars, however such loss or damage shall be caused or shall result. Lessee agrees to assume responsibility for, to indemnify Lessor against, and to hold Lessor harmless from any such loss or damage, or claim therefor, and to assume responsibility for any damage caused to the Car by such commodities.

C. Lessee will cause to be carried and maintained at all times during the term of this Agreement property damage and personal injury liability insurance covering the Cars in such amounts and in such form as acceptable to Lessor as is commonly maintained on comparable equipment by railroad companies similarly situated. In all events, Lessee will cause to be carried and maintained insurance against all risks of physical damage to the Cars as provided under a standard all-risk policy, in an amount calculated according to the Settlement Value set forth in the latest edition of the Interchange

Rules, provided, however, such policies may include deductible provisions as are commonly and customarily maintained on comparable equipment against the risks to be covered hereunder by railroad companies similarly situated.

D. The policies of insurance required hereunder shall be valid and enforceable policies issued by insurers of recognized responsibility acceptable to Lessor. Policies issued through Lloyds of London shall be acceptable to Lessor. Evidence of such insurance shall be delivered by Lessee to Lessor. Such insurance may be blanket insurance covering other equipment not covered by this Agreement, provided that any such blanket insurance shall in an accompanying certificate of insurance or rider specifically designate the Cars as being included therein and covered thereby to the full extent of the amounts herein required. All such policies shall provide that Lessor shall be given at least 10 days prior written notice in the event of cancellation for non-payment of premium by Lessee when due.

10. Disclaimers.

A. Lessor will not be liable to Lessee for delay in delivery or loss of use of any Car or Cars, regardless of the cause thereof. Lessor's obligation to furnish Cars shall be contractually excused in the event that any failure to deliver any Car or Cars results from events or factors beyond the control of Lessor.

B. LESSOR SHALL HAVE NO LIABILITY TO LESSEE FOR ANY CLAIM, LOSS, INJURY, OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY, INDIRECTLY, INCIDENTALLY, OR CONSEQUENTIALLY BY THE CARS, BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN, BY ANY INCIDENT WHATSOEVER IN CONNECTION THEREWITH, ARISING IN STRICT LIABILITY OR OTHERWISE, OR IN ANY WAY RELATED TO OR ARISING OUT OF THIS AGREEMENT INCLUDING LIABILITY ARISING FROM ANY ACT OR OMISSION OF LESSOR OTHER THAN FROM LESSOR'S NEGLIGENCE. LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE CARS, AND EXPRESSLY DISCLAIMS SAME.

11. Taxes.

A. The Lessee agrees to pay and to indemnify the Lessor for, and hold the Lessor harmless from and against, all income, franchise, use, ad valorem, value added, property, leasing, leasing use, stamp or other taxes, levies, imposts, duties, customs, switching, demurrage or other charges by any governmental authority, railroad or other agency; or withholdings of any nature, together with any penalties, fines, or interest thereon ("Impositions") arising out of the transactions contemplated by this Lease and imposed against the Lessor, the Lessee, or any Car by any Federal, state, local, or foreign government or taxing authority upon or with respect to any Car or upon the ownership, delivery, leasing, possession, use, operation, return (or other disposition thereof), or upon the rentals, receipts, or earnings arising therefrom, or upon or with respect to this Agreement (excluding, however, taxes on, or measured solely by the net income of the Lessor). If a claim

is made against the Lessee or the Lessor for any Imposition, the party receiving notice of such claim shall promptly notify the other. In case any report or return is required to be made with respect to any obligation of the Lessee under this Section or arising out of this Section, the Lessee will either (after notice to the Lessor) make such report or return in such manner as will show the ownership of the Car in the Lessor and send a copy of such report or return to the Lessor or will notify the Lessor of such requirement and make such report or return in such manner as shall be satisfactory to the Lessor. The Lessor agrees to cooperate fully with the Lessee in the preparation of any such report or return.

B. This Agreement has been entered into on the basis that the Lessor may be entitled to receive such deductions, credits, and benefits from the investment tax credit (the "Investment Credit") allowed by Section 38 and 46-50 of the Internal Revenue Code of 1954, as amended (the "Code"). If Lessor qualifies for such Investment Credit with respect to the Cars, or any of them, Lessee explicitly agrees that it will not commit any act, or fail to take any action, as a result of which the Lessor shall lose all or any portion of the Investment Credit afforded it pursuant to Section 38 and 46-50 of the Code.

If, as a result of any act or omission by Lessee, Lessor shall not be entitled to any portion of the maximum Investment Credit allowable with respect to any or all of the Cars, Lessee shall pay to Lessor, promptly upon demand, the sum of (1) the amount of said Investment Credit which Lessor shall have so lost or failed to receive; (2) the amount of any interest or penalties, including any additions to tax because of underpayment of estimated tax, which may be assessed against Lessor in connection therewith.

12. Title to the Cars and Assignment

A. Upon receipt of written notice of any assignment by the Lessor of this Agreement, the Cars, or any portion of its interest herein or therein, to any Lessor's assignee, the Lessee shall be deemed to have acknowledged and consented to such assignment and with respect to any such assignments, the Lessee agrees:

(1) to make each payment of Fixed Rent assigned thereby directly to such Lessor's assignee as directed by the Lessor;

(2) not to seek to recover any payment made to such assignee once such payment is made;

(3) to execute and file, or to cause others to execute and file, any financing statements, continuation statements, or other documents necessary to create, perfect, protect, and preserve the prior security interest to be acquired by any such Lessor's assignee for the duration of such assignment; and

(4) to such extent as the Lessor's notice of such assignment shall indicate the Lessor's rights with respect to the Cars shall be exercisable by such Lessor's assignee.

B. Lessee acknowledges and agrees that by execution of this Agreement it does not obtain, and by payment and performance hereunder, it does not and will not have or obtain, any title to the Cars or any of them at any time subject to this Agreement, nor any property, right, or interest therein, legal or equitable, except solely as Lessee hereunder and subject to all of the terms hereof. Lessee shall keep the Cars free from all encumbrances, liens, and security interests of all kinds which would adversely affect Lessor's title thereto.

13. Sublease.

The Lessee will not, without the prior written consent of the Lessor, sublet or otherwise relinquish possession of any Car or assign any of its rights hereunder. No sublease, other relinquishment of the possession of any Car, or assignment by the Lessee of any of its rights hereunder shall in any way discharge or diminish any of the Lessee's obligations to the Lessor hereunder, and all representations, warranties, covenants, and conditions of the Lessee under this Agreement shall be assumed by, and become the obligations of, any sublessee or assignee of the Lessee.

14. Further Information.

Upon the request of Lessor, Lessee agrees to furnish Lessor promptly with complete and accurate information reasonably required for the efficient administration of this Agreement.

15. Events of Default.

The term "Event of Default," wherever used herein, shall mean any of the following events under this Agreement (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary, or come about or be effected by operation of law, or be pursuant to or in compliance with any judgment, decree, or order of any court or any order, rule or regulation of any administrative or governmental body):

A. The Lessee shall fail to make any payment required herein to be paid by Lessee within 10 days after the same shall become due; or

B. The Lessee shall, for more than 15 days after the Lessor shall have demanded in writing performance thereof, fail or refuse to comply with any other covenant, agreement, term, or provision of this Agreement on its part to be kept and performed.

C. Any representation or warranty made by the Lessee in this Agreement or any Agreement, document, or certificate delivered by the Lessee in connection herewith or therewith shall prove to have been incorrect in any material respect when any such representation or warranty was made or given; or

D. A petition in bankruptcy or for reorganization or arrangement shall be filed by the Lessee; or the Lessee shall make an assignment for the benefit of creditors or consent to the appointment of a trustee or a receiver, or a

trustee or a receiver shall be appointed for the Lessee, for any Car or for a substantial part of the Lessee's property without its consent and any such trustee or receiver shall not be dismissed within a period of 60 days; or bankruptcy, reorganization, or insolvency proceedings shall be instituted against the Lessee and shall not be dismissed within a period of 60 days; or

E. The Lessee shall (except as expressly permitted by the provisions of this Lease) attempt to remove, sell, transfer, encumber, part with possession of, assign, or sublet any Car; or

Failure or delay of Lessor to require full compliance with any one or more of the terms of this Agreement shall not be interpreted as a waiver of those terms or of Lessor's right to subsequently insist on full compliance therewith or to take such action as might be lawfully authorized hereunder, either at law or in equity.

16. Remedies.

Upon the occurrence of any Event of Default and so long as the same shall be continuing, Lessor may, at its option, declare this Agreement to be in default by written notice to such effect given to Lessee, and at any time thereafter, Lessor may exercise one or more of the following remedies, as Lessor in its sole discretion shall lawfully elect:

A. Proceed by appropriate court action, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Agreement and to recover damages for the breach thereof; or

B. By notice in writing terminate this Agreement, whereupon all rights of the Lessee to the use of the Cars shall absolutely cease and terminate but Lessee shall remain liable as hereinafter provided; and thereupon Lessor may cause Lessee at its expense promptly to return the Cars to the possession of Lessor at such place as the Lessor shall designate and in the condition required upon the return thereof pursuant to and in accordance with the terms of Section 17 hereof, or the Lessor, at its option, may retake the Cars wherever said Cars may be found and irrespective of whether Lessee, any sublessee, or any other person may be in possession of such Cars, all without notice to Lessee and without legal process, and for that purpose Lessor or its agent may enter upon any railroad or other premises where any Car may be and may take immediate possession of and remove such Car. Lessee shall, without further demand, forthwith pay to Lessor an amount equal to any unpaid Fixed Rent or other amounts due and payable, plus interest, for all periods up to and including the period during which Lessor has declared this Agreement to be in default, plus the sum of all remaining Fixed Rental or other payments due under this Agreement. Provided, however, in such event, Lessor shall use reasonable efforts to enter into a new lease or leases covering said Cars for the remaining period of time covered by this Agreement and at such time any such new lease or leases become effective, Lessor shall promptly refund to Lessee a sum of money equal to the difference between the payments of rents payable under the new lease or leases (but limited to the Cars covered thereby) and the amount that Lessee pays to Lessor pursuant to this paragraph

relating to such released cars (such refund not to exceed the total amount paid by Lessee hereunder) less any and all expenses and attorneys' fees of Lessor incurred in connection with Lessor's retaking and releasing said Cars.

C. Lessee shall be liable for all costs and expenses, including reasonable attorneys' fees and disbursements, incurred by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto.

17. Return of Cars.

Upon termination of this Agreement, Lessee, at its sole expense, shall return each of the Cars, and each part thereof, to Lessor at any location F.O.T. on any point of Lessee's lines of railroad specified by Lessor (i) empty and suitable for loading coal, (ii) in such order and condition as will permit Lessor to immediately sell or re-lease the Car without repair, (iii) in a suitable condition for the hauling of commodities that the Cars are designed, intended, and customarily used to transport, and (iv) in such condition as is necessary to have the Cars comply with all applicable laws and regulations; all the foregoing, however, subject to normal wear and tear. Lessee shall, on demand, reimburse Lessor for the costs necessary to make any of the Cars comply with the standards of this Section. Such Cars, upon redelivery pursuant hereto, shall be free and clear of all mortgages, liens, security interests, charges, claims, or other encumbrances ("Liens") other than Liens either (a) created or granted by the Lessor, including any such Liens created or granted in connection with the purchase or financing of the Cars, or (b) resulting from claims against the Lessor not related to the Lessor's ownership of the Cars (Liens described in clauses [a] and [b], above, being herein referred to as "Lessor's Liens"). If the Lessee shall have affixed or installed any improvement to any Car redelivered pursuant hereto, the Lessee will on or before the date of redelivery and at its own expense, remove such improvement if requested to do so by the Lessor.

18. Holdover.

In the event that any Car is not redelivered to Lessor on or before the date of expiration of the original lease term set forth in Section 2 at Lessor's sole option, the term hereof may be deemed to be extended on a month-to-month basis (hereafter "Holdover Period") and all of the obligations of Lessee under this Agreement, with respect to such Cars shall remain in full force and effect until all Cars are redelivered to Lessor. The Fixed Rent during said Holdover Period shall be set at the sole discretion of Lessor for the duration of such Holdover Period, but not to exceed 125% of the existing fixed rental. Lessor may at any time during the Holdover Period terminate this Lease and take possession of the Cars upon demand after 30-days' written notice to Lessee.

19. Reimbursement of Lessee.

Lessor agrees to promptly reimburse Lessee (or credit Lessee's next following rental payments hereunder) for any and all sums of money

received by Lessor for mileage payments with respect to the Cars covered hereby, between 12:01 a.m., December 1, 1980, and the date said Car is stenciled with Lessee's recording marks and numbers and Lessor shall provide lessee with proper documentation pertaining to such payments upon request of Lessee.

20. Termination by Lessor.

In the event the Lessee shall be in default under any material obligation for the payment of borrowed money or for the deferred purchase price of any property or for the payment of the rent under any lease agreement covering material, real or personal property and the applicable grace period with respect thereto shall have expired, Lessor may terminate and cancel this Agreement by giving Lessee 30 days written notice of its desire to cancel or terminate same, said Agreement to thereby terminate upon the expiration of said notice period.

21. Miscellaneous.

A. Both parties agree to execute the documents contemplated by this transaction and such other documents as may reasonably be required in furtherance of this Agreement.

B. This Agreement shall be governed by and construed according to the laws of the State of Delaware.

C. All notices hereunder shall be in writing and shall be deemed given when delivered personally or when deposited in the United States mail, postage prepaid, certified, or registered, addressed to the other party at the following address:

If to Lessor:

XTRA, Inc.
c/o X-L-Co., Inc.
60 State Street
Boston, Massachusetts 02109

If to Lessee:

Missouri-Kansas-Texas Railroad Company
701 Commerce Street
Dallas, TX 75202

Attention: Karl R. Ziebarth
Executive Vice President-
Finance

or such other as may be designated in writing.

D. This Agreement and any Exhibits made a part hereof contain the entire agreement between Lessor and Lessee with respect to Lessee's use and possession of the Equipment, and all prior understandings, terms, or conditions are deemed merged in this Agreement. Any agreement hereafter made between Lessor and Lessee shall be ineffective to change, modify, waive, release, discharge, terminate, or effect an abandonment of this Agreement,

in whole or in part, unless such agreement is in writing and signed by a duly authorized officer of the party against whom enforcement of the change, modification, waiver, release, discharge, termination, or the effecting of the abandonment is sought.

E. This Agreement and each and every condition and agreement herein contained shall be binding upon and inure to the benefit of the respective successors in interest and permitted assignees of Lessor and Lessee.

Should any part of this Agreement violate or be prohibited by any code, regulation, statute or law of the United States or any state or political subdivision thereof, or of any foreign jurisdiction in which it is intended to operate, that portion shall be deemed in such jurisdiction to be void and of no effect, without affecting the remaining provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and delivered in their corporate names by a duly authorized representative, all as of the date first written above.

ATTEST:

William D. Evans

XTRA, Inc.

By

Title

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY

ATTEST:

[Signature]
SECRETARY

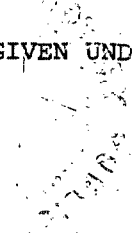
By

Title

STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared W. L. SARAKENOFF, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said XTRA, INC., a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16th day of January, 1981.

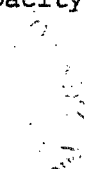

Fannie Garrett Meador
Notary Public in and for Dallas County, Texas

My Commission Expires:

December 10, 1981

STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared H. T. DIMMERMAN, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.


Fannie Garrett Meador
Notary Public in and for Dallas County, Texas

My Commission Expires:

December 10, 1981

SCHEDULE 1 TO

EXHIBIT A

UNDER CONTRACT #801104

<u>Number of Cars</u>	<u>AAR Mech. Design</u>	<u>Description</u>	<u>Capacity</u>	<u>Numbers</u>	<u>Length</u>	<u>Height</u>	<u>Inside Height</u>	<u>Outside Height</u>
100	H350	Open top hopper cars	3,430 cu. ft.	XTRX75183 through XTRX75282 (To be changed to MKT75183 through MKT75282)	53'01"	11'09"		10'8"

EXHIBIT A

SCHEDULE 1

EXHIBIT A

CERTIFICATE OF ACCEPTANCE

Under Contract #801104

NET LEASE AGREEMENT FOR RAILCARS dated as of December 1, 1981,
(the "Agreement") between XTRA, Inc., or its designees, as Lessor
(the "Lessor") and MISSOURI-KANSAS-TEXAS RAILROAD COMPANY as Lessee
(the "Lessee").

The Lessee hereby certifies that the Cars described in Schedule 1
hereto have been delivered to Lessee, found to be in order and accepted
as Cars under the Agreement, all of the Date of Acceptance set forth
below:

Number of Cars: 100

Date of Acceptance: December 1, 1980.

Missouri-Kansas-Texas Railroad Company,
as Lessee

By _____

Title _____

EXHIBIT B

CONTRACT #801104

Fixed Rent.

(a) For the use of the Cars referred to in Section 1 of the Agreement, Lessee shall pay rental to Lessor at a rate of FOUR HUNDRED TWENTY-FIVE DOLLARS (U.S. \$425.00) per Car per month.

(b) Upon the purchase by Lessor from Lessee of 100 used box cars from the series numbered MKT5240 to MKT 5464 inclusive, the rental shall thereafter be FOUR HUNDRED FIFTY DOLLARS (U.S. \$450.00) per Car per month, effective as of the date Lessee receives payment from Lessor for the purchase of said Cars.